

## **Report of the Trustees and Financial Statement**

The Executive Committee present their report and the accounts for the year ended 31<sup>st</sup> December 2016

### **Executive Committee**

Very Reverend Fr Patrick Lonsdale OFM (Spiritual Director)  
Mr Michael Forbes Smith (President)  
Mr Christopher Wyatt FCA (Hon. Treasurer)  
Miss Veronica Melia  
Ms Margaret Hood  
Dr Gosia Brykczynska  
Mr Philip Newill  
Mr Paul Leavy

The Executive Committee act as Trustees of the Guild. With the exception of the Provincial of the Order of Friars Minor, who is Spiritual Director ex officio, members of the Executive Committee are elected by the General Committee at the Annual General Meeting. New Trustees are appointed on the basis of personal recommendation and previous experience. They are briefed on the activities of the Guild and their responsibilities as Trustees by the existing Trustees. All significant decisions are taken by the Trustees at meetings of the Executive Committee.

### **Hon Secretary**

Sister Helen McMahon FMM

### **Administration Officer**

Ms Theresa Marcelle

### **Auditors**

PKW Accountancy Ltd, Chartered Accountants, 1 Church Square, Leighton Buzzard LU7 1AE

### **Principal Bankers**

CAF Bank Limited, Kings Hill, West Malling, Kent ME19 4TA

### **Registered Office**

73 St Charles Square, London, W10 6EJ

### **Constitution**

The activities of the Guild are governed by a Scheme approved by the Charity Commissioners on 24 June 2003.

### **History**

The St Francis Leprosy Guild was founded on 23<sup>rd</sup> October 1895. The moving spirit behind its establishment was Kate Marsden, a nursing heroine recently returned from Siberia in search of a herb reported to alleviate leprosy who, with her characteristic energy and determination, set about raising awareness of the desperate plight of leprosy sufferers throughout the world. Cardinal Vaughan gave her his active support and patronage, urging her to make it “strictly a religious Catholic work”. Since then the Guild’s activities have remained

grounded in the principles and guidelines of the Roman Catholic Church under the patronage of all his successors, currently Cardinal Vincent Nichols. However, since its first grant of £50 in 1896 to help establish a “leper colony” in Burma, the Guild has never made any distinction regarding the creed or denomination of its beneficiaries, nor of race, colour, gender or age.

The Guild’s original purpose, “the relief of lepers all over the world”, reported in its second Annual Report in 1898, has remained largely unchanged, as recorded below. Its method of operation, while adapting to changing circumstances and most recently to modern technology, is still recognisably that of its founders. It has enjoyed a remarkable stability in its leadership; Mary, Baroness Gudin 1895-1921; Adele, Countess Cadogan 1921-1960; Sir Harold Hood Bt, 1960-1994 and Mrs Gwen Sankey, 1994-2014.

## **Objects**

1. To give and grant relief and assistance of any description including financial assistance to any persons suffering from leprosy, or the family or dependants of such persons throughout the world;
2. To carry out or fund the investigation and research of the causes, treatment, cure and prevention of the disease of leprosy and allied diseases;
3. To carry out or fund the professional education of those engaged in the diagnosis and treatment of leprosy.

In practice the first object consumes the overwhelming majority of the donor funds available to the Guild, for reasons outlined below.

In its distribution of grants to applicants each year, the Trustees have regard to the Charity Commission’s guidance on public benefit.

## **Mission**

The Mission of the Guild is the alleviation of suffering caused by leprosy throughout the world.

We provide material support to leprosy patients and to those cured but disabled, their families and dependents especially where they are ostracised by their local communities through the stigma associated with the disease, in Africa, Asia and Latin America. This is generally achieved through the distribution of Annual Maintenance Grants to leprosy “centres” which are typically hospitals, clinics, leprosy villages or outreach centres from where education and early diagnosis activities are carried out.

Although easily curable through “MDT” drug treatment issued free worldwide by WHO since 1995, the number of new cases reported annually to WHO remains stubbornly around the 200,000 mark whilst the actual incidence of the disease will be significantly greater. Once the disease has been totally eradicated there will still remain hundreds of thousands of former sufferers, cured, but disfigured and disabled. They, and their families, will need external support for decades to come especially in places where they are unable to live or work within their local communities because of cultural prejudice.

It is in caring for these people that the Guild finds its special charism as a Catholic charity. Our primary model both pre-dates and continues to differ from most other charities in this field in that we are not focused primarily on projects to be completed within a timeframe, but on stipendiary payments to our centres on which they rely for their day-to-day necessities and even survival. We send Annual Maintenance Grants to our centres, often run by selfless religious sisters and brothers, though, as already stated, neither creed nor race has any place in the selection of beneficiaries and all our centres must be open to receive whoever is in need of the services they provide. We expect to continue to support them for as long as they have patients, disabled residents and their dependents to care for. Our policies on the use of the funds donated or bequeathed to us are focused on the long-term nature of this, our primary work.

A secondary objective, in support of our primary mission, is to help centres to become more self-sufficient through, for example, improving water supply, or seed-funding agricultural or light industrial development. We would also like to make more contributions towards medical treatment, research, and outreach work and to increasing awareness that leprosy is “just a disease like any other”. However, what must be always at the

forefront of our mind are those many tens of thousands of people who depend on us for a roof over their head, daily sustenance, and, for their children, the possibility of basic education. So, for the immediate future, where we see our resources stabilising below our current annual distribution, we have made a policy decision only to accept further project applications where we are satisfied that such expenditure will not reduce our ability to meet our annual maintenance commitments for the foreseeable future.

Our administration and support costs remain very low at under 17% of our income during 2016.

### **Achievement of Objects and Charitable Expenditure**

The Guild has continued to promote the treatment, cure and prevention of leprosy and to support the relief, assistance and rehabilitation of people suffering from leprosy, as well as their families and dependants, in Africa, Asia and Latin America:

1. through annual maintenance grants, totalling £279,253. Details in Appendix A;
2. through special project grants, mainly for building works and repairs, water projects; machinery purchases and expanding outreach programmes, at a total cost of £17,466. Details in Appendix B; and,
3. through Educational and travel grants to medical students at a cost of £450. Details in Appendix C.

Through these grants, the Guild also supports and encourages:-

- early detection work to avoid disability;
- rehabilitation towards self-sustainability after treatment and cure; and,
- education of children at primary, secondary and tertiary levels, professional and vocational training and start-up grants for them to set up in trades.

The total disbursed on grants was £297,169.

The Guild encourages the continuing inward flow of funds to enable its objectives to be achieved, through direct communication with its donors and others sympathetic to its objectives, including the bishops and clergy, and, where possible, by appeals in local parishes. However, the generosity of our benefactors is largely outside the control of the Guild. Measurement of success in achieving these aims is reflected in the Statement of Financial Activities, which shows the extent of funds raised and their application towards the objects described above.

The Trustees have taken every opportunity to make known to potential donors the work of the Guild and the problems of people with leprosy and their families. They will continue to explore further means of widening the Guild's donor base; but the continuing shortfall of income compared to grant demand will make it difficult to meet grant demand unless annual income is increased.

## **How St Francis Leprosy Guild Works**

### **Structure**

#### **General Committee**

The General Committee is the supreme decision-making body of the Guild. It consists of the Superiors of those Religious Orders whose members run any of the centres the Guild supports; the members of the Executive Committee (by whose President it is chaired); any honorary medical adviser; and others interested in furthering the objects of the charity. All members have one vote.

It meets in General Meeting at least once a year, principally to receive from the Executive Committee the report and accounts for the past financial year.

#### **Executive Committee**

The Executive Committee consists of up to thirteen members, headed by the President. The Provincial of the Orders of Friars Minor is appointed ex officio as Spiritual Director; the remainder by election or co-option. The Executive Committee meets, typically, bi-monthly throughout the year to conduct the normal business of the charity, especially the annual round of applications and decisions on the distribution of charitable income to our centres and questions of fund-raising and administration.

## **Finance Sub-Committee**

The Finance Sub-Committee was established in January 2014. It is chaired by the President and the Treasurer plus Trustees Margaret Hood, Philip Newill and Paul Leavy are members. It meets as required and considers primarily matters related to investments and the financial management of the Guild and its financial resources.

## **Volunteers**

The Guild has only one salaried employee. Otherwise the Guild relies for its management and administration on the work carried out by the Trustees and by other volunteers who provide their services free. In the opinion of the Trustees it is not practical to quantify the value of the services provided.

## **Governance**

The Guild is registered as a charity in England and Wales no. 208701. Its governing instrument is a Scheme which was adopted on 24 June 2003.

On 31 December 2016 there were 8 trustees none of whom receives any remuneration and who form the Executive Committee.

All key decisions, including the allocation of charitable funds, are made by the Trustees in Executive Committee meetings. The allocation of charitable funds is subject to the final approval of the General Committee which meets once a year to approve the financial statements and the allocation of funds.

Meetings of the Executive Committee regularly address the following:

- the future plans for the Guild especially regarding the prioritisation of grant allocations
- the financial plan for the current year and for a further two years
- the award of maintenance, project, and educational grants
- the impact of the work of the Guild.

## **How Does St Francis Leprosy Guild pay for its Activities**

### **Finance**

The Statement of Financial Activities (SOFA) reports a deficit for the year of £38,523.

Our income for the year totalled £320,919 (2015, £484,929) which included Subscriptions and Donations of £84,458, Legacies of £59,339, Trust Income of £81,925 and Dividend and Interest Income of £31,697.

During 2016 the Guild approved total grants for payment amounting to £297,169 of which £279,253 related to maintenance grants, £17,466 to project grants, and £450 to educational grants (2015 grants approved amounted to £332,900). We continue to face increasing demands for our grants whilst our annual income continues to fall short of the amount necessary to meet this increased demand on an annual basis. Accordingly we maintain close attention to the control of, and where possible reduction of, our annual operating costs. Our operating cost expenditure for 2016 was £54,310.

The net cash inflow from operations was £100,508 as shown by the Cash Flow Statement. Our cash position in relation to our current and future commitments remains one of our key concerns and achieving financial sustainability is a key priority for the Guild.

### **Investments**

The Guild holds investments to support fluctuations in its cash flow.

The value of the Guild's investments at 31 December 2016 was £959,168 (2014, £876,110). During 2016 we have benefited from net realised and unrealised gains of £63,230 reported in the SOFA for 2016.

The Executive Committee has overall responsibility for the Guild's investment strategy and a newly formed Finance Sub Committee monitors the investment strategy with delegated responsibility from the Executive Committee. The funds are managed by Brewin Dolphin and the Guild takes advice from Brewin Dolphin investment professionals to help maximise the return on its investments and to ensure that the investment strategy remains fit for purpose whilst ensuring adherence to the Guilds Moral and Ethical Investment policy.

## **Reserves**

The Guild holds only unrestricted reserves.

The underlying Guild reserves policy, approved by the Executive Committee, is to maintain a level of unrestricted reserves that will enable the Guild to maintain a continuity of activity together with the ability to adjust in a measured way to significant changes in the external economic environment and demands for the grants provided by the Guild. This underlying reserves policy requires the Guild to maintain a level of unrestricted reserves equivalent to two year's operational and grant expenditure. However, given the shortfall of annual subscription and donation income compared to the increasing demand for the Guild's grants, it is also currently deemed appropriate to maintain an additional amount of unrestricted reserves, which, together with budgeted annual income, will provide the Guild with sufficient resources to be able to meet its planned grant allocations for the foreseeable future whilst carefully managing, and where appropriate and reasonable, reducing, its overall grant expenditure. At 31 December 2016, our free reserves stood at £1,048,602 (2015, £1,087,125)

## **Relationships with Other Parties**

St Francis Leprosy Guild actively cooperates with leprosy agencies in the UK and abroad by exchange of information. These include ILEP (International Federation of Anti-Leprosy Associations), LEPRO Health in Action, The Leprosy Mission England and Wales, The Leprosy Mission International, AIFO (the Italian Leprosy Charity), the NLR (the Netherlands Leprosy Relief Charity) and the GLRA (German Leprosy Relief Association).

In addition, most members of the General Committee represent religious orders, which administer many of the leprosy centres supported by the Guild, and are able to provide useful information in relation to these centres.

## **Review of Activities 2016**

### **Allocation of Grants**

The principal activity was the allocation of Annual Maintenance Grants to 62 "centres"; a significant reduction from 2015, in part due to difficulties in communications despite significant follow-up efforts through email by Guild staff and volunteers. Absent any visits by volunteers (at their own expense), the allocation must be decided on the basis of documentary and photographic evidence submitted by the centres. As in previous years, completed application forms together with an annual report and financial information were required to be completed by end-November 2015 (although this is an administrative deadline and late applications are accepted well into the New Year). The new electronic Annual Maintenance Grant (AMG) application form was introduced and, with some initial teething troubles (see the section on Operations, Governance and Systems Upgrades below), worked well. Centres were permitted, in the first year of electronic data provision, to complete hard copy application forms as in previous years. The review of applications has typically required significant subsequent correspondence with individual centres to ensure they comply with our minimum requirements. In 2015/16 this included further advice on the electronic application forms in some cases. Up to six reviewers, with several years' experience of the Guild's application process, then assessed the applications. In April 2016, the Executive Committee agreed summary "abstracts" of each application, with recommended grants for each. This was then considered and approved by the General Committee at the AGM on 19 May. In 2016 these grants ranged from £1,000 to £15,000 in the 62 centres we supported in 24 countries; the average grant was £4,472; and in 2016 46,000 patients or former patients and 5,965 dependents benefitted from the generosity of our donors and those giving through wills. The distribution of approved grants began in June, though as usual administrative difficulties caused delay, with the last grant not being successfully transferred until November.

In addition 21 Special Project Grants were considered and seven grants approved totalling £17,466 following a similar review process and consideration at regular Executive Committee meetings (but see "Mission" above).

### **Systems, Operations and Governance Upgrades**

**a. Grant Application Process Upgrade.** In 2015 a unified database for data collection and Executive Committee members' comments via a single integrated website made the grant approval process more simple

and efficient. It included an electronic Annual Maintenance Grant application form which the centres were required to use when submitting their applications. The objective of improved statistical and narrative reporting by centres to permit greater transparency and detailed analysis of their workloads was achieved. However, several of them experienced difficulties inherent in the Google forms platform such as the inability to save part-completed forms. The Executive Committee therefore, after discussions with the Guild's IT consultant Bob Powell of Gabriel Media, decided to transfer the unified database, including the application form, into the SFLG website proper. Several refinements were made to the existing software, while taking care that the integrity of the data from the first year of electronic data collection was preserved, particularly with regard to the questions asked in the electronic application form. The revised system was rolled out to centres in November 2016, with a deadline for the 2017 application forms to be returned by 31st December 2016 (though this was extended where requested, or where further information had to be sought by the reviewers, until March 2017). Centres no longer have to complete the online application form in one go; the form can be part completed, saved, and returned to as many times as needed. From 2018 centres will also have access to their previous year's application form so that even if different centre personnel are completing forms from year to year they can check the current year's entries for consistency with the previous year's input. The revised online application system requires centres to complete each section and will not permit an application to be submitted until all the information required by the Guild's reviewers is provided. There are check procedures to prevent the submission of conflicting data. There is also a facility to attach the annual reports, accounts and photos that are required to be submitted with the application. Finally, the online application form includes a section for an Impact Statement on the utilisation of the previous year's AMG by the centre. This was trialled in 2016, with Centres invited either to complete their Impact Statements online or to submit them as separate documents. It will become mandatory to complete the Impact Statements electronically from 2017.

The Guild's reviewers can now review grant applications and submit their comments and recommendations online from any location making the review and approval process much more efficient and less time consuming. The collation, comparison, and summarising of grant applications is now both streamlined and more effectively controlled. The Guild is thus better equipped to scrutinise the grant applications with the overriding objective of ensuring that those centres that have the greatest demonstrated need are prioritised as regards the allocation of grants.

**b. Payments and Accounting Systems.** The new payment system for the easier transfer of grants and reduction in FX continued to operate satisfactorily. Electronic giving through CAF Donate and Virgin Money arrangements increased to £4126 in 2016 after deducting 10K run sponsorship compared to £1645 in 2015. The upgrade of our accounting systems, begun in 2015, has now bedded in. The manual transfer of data to our new QuickBooks accounting system was completed in early 2016.

### **Young Professionals**

The implementation of Facebook and Twitter accounts have helped raised the Guild's visibility on social media. One of the Guild's young professionals, Bokani Tshidzu, again arranged and hosted a second **Christmassy Open Mic** evening at *The Library* in London to raise funds and awareness of the Guild among young professionals. £398 was raised.

### **120th Anniversary Follow-Up; Annual Mass2016**

The Guild was formed on 23<sup>rd</sup> October 1895. A number of special events and activities were carried out using our 120<sup>th</sup> anniversary to increase the Guild's profile and charitable income. The Guild continues to make use of the anniversary video produced by "Another Direction Ltd" showing the Guild's work over the years, presented by the Rt Hon Ann Widdecombe DSG. Two of the medical students whose final year elective visits were funded by the Guild during 2015 subsequently made short videos of their own experiences. All three videos remain topical as a marketing tool and remain posted on the Guild's website and on Social Media.

The centrepiece of the Guild's year was, as usual the Annual Benefactors Mass on 3<sup>rd</sup> November 2016 at The Church of the Immaculate Conception, Farm Street, London by kind permission of Fr Andrew Cameron-Mowatt sj, where Rt Rev Alan Williams, Bishop of Brentwood was chief celebrant and stayed on to hear the presentations of our 2015 Guild-funded elective medical student, Montague Lyman, who spoke movingly of his visit to Tanzania.

## **Fundraising and Publicity**

In addition to the activities recorded above, it is hoped that the broader fundraising, including from Trusts, flagged in last year's report, which had to be deferred for lack of time, will be able to proceed in 2017, now that the priority task of introducing the web-based allocation procedures is complete.

The Guild's Hon Secretary once again arranged for supporters of the Guild to participate in the London 10K run and reported that sponsorship money collected amounted to £1684.

Representatives of the Guild again manned a stall at the "Towards Advent" event in Westminster Cathedral Hall in November. We were pleased to receive various handicrafts from a number of the centres supported by the Guild which were offered for sale at the event. However, the numbers attending, and the modest, though welcome, income of £100 has led the Executive Committee to decide to consider alternative venues in 2017.

Members and supporters of the Guild sponsored two Brandenburg Choral Festival concerts; a scheme where the Guild receives half of the of ticket price which are sold through the Guild. In addition to increasing awareness of the Guild to a new audience the March concert resulted in a £1,500 donation from a Trust. We plan to continue this initiative as the scheme is at no cost to the Guild.

The Executive Committee again decided to maintain advertising expenditure in 2016 at £5000. Adverts were placed in the Catholic Herald, Catholic Times, The Universe, Arundel & Brighton News and Scottish Catholic Observer to increase the Guild's public visibility. One of the Trustees maintained the website throughout the year ensuring that the Guild's news and activities are promptly added to the site.

The intention to revive parish visits, following Cardinal Vincent's letter to the President giving his consent for the Guild to approach parish priests to request a collection for the Guild, had to be deferred but is hoped to take place in 2017. It remains the intention that those parishes who provided collections in the first years of the Guild's existence will be approached first.

## **Visitors to the Guild**

Visitors to the Guild included Dr Mark Mantey representing Cape Coast, Ghana, and Dr Tony Lopez Gonzalez of the Labrea Clinic in the Purus River region of Amazonia, Brazil in May and Father Gareth Jenkins SMA from Massatine, Liberia in July. Outwards visits (at their own expense) were made by Executive Committee member Gosia Brykczynska To Marana, Madagascar, and by Prof Robin Graham-Brown, General Committee member and Guild Medical Adviser, to Vyasarpadi, Chennai, India in early November.

## **Meetings**

During 2016 the Guild held five meetings of the Executive Committee and one of the General Committee.

## **Appeals and Fundraising**

The total of church collections and donations for the year was £7,411. This includes funds raised from church collections at our Centenary Annual Mass and from church appeals. Income from subscriptions and donations amounted to £77,047 from Trusts £81,925 and from legacies £59,339.

## **Risk Management**

The Trustees take expert advice on managing St Francis Leprosy Guild investments and maintain an ethical investment policy which is relevant to the charity's objects and constitution. The Trustees exercise their powers through the Executive Committee and consider that the charity has adequate risk management, reporting, and approval procedures in place in particular regarding the exercising of authority delegated by the Executive Committee to the Finance Sub-Committee which oversees Investment and other St Frances Leprosy Guild financial matters.

The determination and allocation of annual grants made by St Francis Leprosy Guild is the sole responsibility of the Executive Committee and is subject to final approval by the General Committee.

**Statement of Trustees' Responsibilities in respect of the accounts**

The Charities Act 2011 requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Guild and of its financial activities for that year.

In preparing those accounts, the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgments and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- d) prepare the accounts on a going concern basis unless it is inappropriate to presume that the Guild will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Guild at that time and enable the Trustees to ensure that any statement of account prepared by them complies with the regulations under Section 154 of the Charities Act 2011. They are also responsible for safeguarding the assets of the Guild and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that so far as they are aware, there is no relevant audit information of which the Guild's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Guild's auditors are aware of that information.

Signed on behalf of St Francis Leprosy Guild Trustees:



Chris Wyatt (Trustee and Hon. Treasurer)

10 April 2017



**APPENDIX A**

**St Francis Leprosy Guild Maintenance Grants 2016**

<b>AFRICA</b>		<b>£</b>
DUBIE	DR CONGO	2000
ABU ZAABAL	EGYPT	4000
CAPE COAST	GHANA	2500
GANTA	LIBERIA	8500
MASSATINE	LIBERIA	5000
MARANA	MADAGASCAR	5000
ABAKALIKI	NIGERIA	12000
ABEOKUTA	NIGERIA	6000
OSSIOMO	NIGERIA	3000
AKURE	NIGERIA	4500
ELEME	NIGERIA	5000
OGOJA	NIGERIA	6000
YAKOKO	NIGERIA	2000
MISUFINI	TANZANIA	2000
PEMBA	TANZANIA	*1753
UPENDO	TANZANIA	4000
ARUA	UGANDA	2500
BULUBA	UGANDA	7000
MORULEM	UGANDA	5000
NYENGA	UGANDA	3000
LUANSHYA	ZAMBIA	3500
MANGANGO	ZAMBIA	1500
SICHILI	ZAMBIA	1500
<b>Total Africa</b>		<b>£97,253</b>

\* Paid as 2304 EUR

<b>SOUTH AMERICA</b>		<b>£</b>
LABREA	BRAZIL	7,000
MANAUS	BRAZIL	2,000
<b>Total</b>	<b>South America</b>	<b>£ 9,000.00</b>

<b>ASIA</b>		<b>£</b>
DHANJURI	BANGLADESH	15000
MACAU	CHINA	2500
MOXI	CHINA	3000
BARGARH	INDIA	3000
CHERTHALA	INDIA	3000
DALLI RAJHARA	INDIA	3500
DINDIGUL	INDIA	4000
FATHIMANAGAR	INDIA	6000
JARANGDIH	INDIA	6500
KANKANADY	INDIA	4500
KARAIKAL	INDIA	1750
KOVILOOR	INDIA	3500
KUMBAKONAM	INDIA	8000
MUNIGUDA	INDIA	8000
NEDIANCODE	INDIA	5000
NIMBHORA	INDIA	6500
NUZVID	INDIA	4000
PEDANA	INDIA	4000
PREM NIVAS	INDIA	2750
PURI	INDIA	4000
RAIPUR	INDIA	7000
SAKTI et al	INDIA	6000
TRICHUR	INDIA	2500
TUTICORIN	INDIA	8500
VYASARPADI	INDIA	6000
LOILEM	MYANMAR	4000
THAYET MYO	MYANMAR	3500
POKHARA	NEPAL	7000
KARACHI	PAKISTAN	6000
ILOILO	PHILIPPINES	1500
BADULLA	SRI LANKA	3000
HENDALA	SRI LANKA	3000
MANTHIVU	SRI LANKA	1000
KHON KAEN	THAILAND	2500
RONPHIBUN	THAILAND	3000
BAUCAU	TIMOR-LESTE	2000
QUI HOA	VIETNAM	8000
<b>TOTAL ASIA</b>		<b>£173,000</b>

<b>TOTAL MAINTENANCE GRANT</b>	<b>£ 279,253.00</b>
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**APPENDIX B**  
**St Francis Leprosy Guild Special Projects Grants 2016**

<b>Centre</b>	<b>Country</b>	<b>Project</b>	<b>Grant</b>
			<b>£</b>
Prakasam	India	Food grains, health care and education for 20 PALs and their dependants	£3,000.00
Bombay Leprosy Project	India	Comprehensive Leprosy Management through Referral Centre	£5,000.00
Misufini	Tanzania	Leprosy centre fumigation	£2,900.00
Akure	Nigeria	Completion of 5-rooms residential building	£4,000.00
Upendo	Tanzania	Secondary School Fees – 2 years to complete A levels.	£1,020.00
Massatine	Liberia	Clinic repairs/replacement of rice mill generator	£1,546.00
		<b>TOTAL</b>	<b>£17,466.00</b>

<b>APPENDIX C</b>		
<b>St Francis Leprosy Guild Educational Grants for Medical Students 2016</b>		
		<b>£</b>
Monty Lyman	To Tanzania	450.00
	<b>TOTAL</b>	<b>£450.00</b>

**Statement of Financial Activities for the year ended 31 December 2016**

<b>Incoming resources</b>		<b>2016</b>
<b>2015</b>		<b>£</b>
<b>£</b>		
	<b>Incoming resources from generated funds</b>	
	<b>Voluntary income</b>	
90,226	Subscriptions and donations - unrestricted	77,047
7,212	Church collections and donations	7,411
351,693	Legacies	59,339
-	Trust Income	81,925
449,131		<b>225,722</b>
	<b>Investment income</b>	
342	Bank interest	268
29,275	Other investment income	31,699
13,763	Unrealised surplus on investments	66,303
(7,582)	Realised Surplus/Loss on Investments	(3,073)
35,798		95,197
484,929	<b>Total incoming resources</b>	<b>£320,919</b>
<b>2015</b>		<b>2016</b>
<b>£</b>		<b>£</b>
10,321	<b>Costs of generating voluntary income</b>	4,963
	<b>Charitable activities</b>	
308,000	Maintenance grants	279,253
23,500	Special grants for projects	17,466
1,400	Educational grants	450
332,900		297,169
46,554	Support costs	54,310
379,454		351,479
3,000	<b>Governance costs - Audit fee</b>	3,000
392,775	<b>Total resources expended</b>	359,442
92,154	<b>Net incoming (outgoing) resources</b>	(38,523)
	<b>Reconciliation of funds</b>	
994,971	Fund balance brought forward at 1 January 2016	1,087,125.00
1,087,125	Fund balance carried forward at 31 December 2016	£1,048,602

## Balance sheet as at 31 December 2016

2015		2016
£		£
	<b>Current assets</b>	
230,936	Bank balances	92,089
876,110	Investments	959,168
7,182	Accrued income and prepayments	11,232
1,114,228		1,062,489
	<b>Creditors - amounts falling due within one year</b>	
(4,503)	Accrued liabilities	(4,387)
(22,600)	Commitment for future grant payment	(9,500)
(27,103)	<b>Net current assets</b>	(13,887)
1,087,125	<b>Net assets</b>	1,048,602

### Accounting policies

1 Basis of Accounting. The charity is a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

This is the first year that the charity has adopted FRS 102 which meant that the transition date was the 1 January 2016. This has not resulted in any restatements being required for the year ended 31 December 2015.

2 Legacy income is brought into account when the amount receivable can be established with reasonable certainty. Income tax recoverable on Gift Aid donations is treated as receivable in the period in which the income from which it arises is received. All other income is brought into account when it is received unless its future receipt can be established with certainty.

3 Grants are accounted for in the period in which the expenditure is committed. Administration and Fundraising Expenditure is accounted for on an accrual basis.

4 Expenditure on office equipment is written off in the period in which the expenditure arises.

5 Investments are valued at the current market value at the balance sheet date.

### Funds

6 All funds constitute a single fund which is unrestricted and can be used for the objects of the Guild.

7 The underlying Guild reserves policy, approved by the Executive Committee, is to maintain a level of unrestricted reserves that will enable the Guild to maintain a continuity of activity together with the ability to adjust in a measured way to significant changes in the external economic environment and demands for the grants provided by the Guild.

### Incoming resources

8 One large legacy received during the year accounted for £45,000 of the total of £59,339 and one large donation from a Trust accounted for £50,000 of the total of £81,925.

9 Tax recoverable amounting to £6,881 on income received under Gift Aid has been included in subscriptions and donations.

### Grants

10 Details of grants paid are given in the Appendices to the Trustees' Report.

### Support costs

11 Support costs relating to the Guild's charitable activities comprised:

2015		2016
£		£
358	Legal & Professional Fees	323
618	Bank Charges	162
9,581	Investment Management Charges	10,098
2,536	I.T. and Miscellaneous	8,939
516	Insurance	330
468	Office equipment	600
14,282	Rent and office costs	14,938
16,001	Salary costs (one employee)	16,000
1,100	Stationery	1,543
932	Telephone, fax and internet	891
162	Travelling expenses	486
<b>£46,554</b>		<b>£54,310</b>

### Investments

12 Investments include a portfolio of investments managed by Brewin Dolphin with a market value at 31 December 2016 of £888,986 and £70,182 in Lloyds Trust Gilt Fund units.

### Commitments

13 At 31 December 2016 the Guild has annual commitments under a lease relating to land and buildings, not cancelable until 2018, of £12,450 (2015: £11,441).

### Trustees' remuneration and expenses

14 None of the Trustees was remunerated or received any reimbursement of expenses during the year.

Signed on behalf of the Trustees



Chris Wyatt (Trustee and Hon. Treasurer)

10 April 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ST FRANCIS LEPROSY GUILD**

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We have audited the financial statements of St Francis Leprosy Guild for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we became aware of any apparent material misstatements or inconsistencies, we consider the implications of our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016, and of its incoming resources and application of resources, for the year then ended;

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ST FRANCIS LEPROSY  
GUILD CHARITY (Continued)**

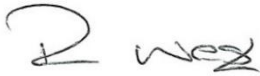
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- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



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**PKW Accountancy Limited**  
Statutory Auditor

2<sup>nd</sup> Floor, 1 Church Square  
Leighton Buzzard  
Bedfordshire  
LU7 1AE

11 April 2017

PKW Accountancy Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.